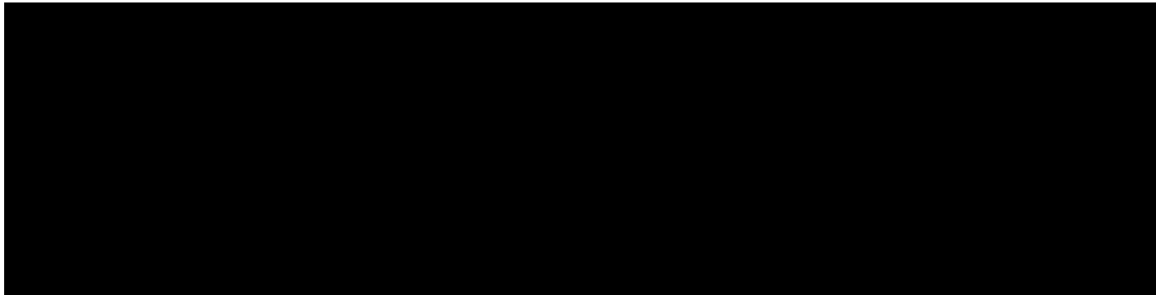


7/23

NSA Dclassification/Release Instructions on File.

IRAN

25X1D
NSA



This will permit overall agreement between Soviet and Iran and follows up June 10 barter trade agreement involving 1 hundred million on both sides and appointment of Lavrentiev as ambassador to Iran (formerly Yugoslavia-Rumania)

(2) Mossadeq moving closer to Tudeh party - June 22 anti-American Communist demonstrations at Iran turned out 12,000 - 21 July - 50,000 well organized Commies demonstrated against Point IV and USA military missions.

(3) Mossadeq proposes hold nationwide referendum within two weeks.

Referendum will cover:

(A) Should present Majlis continue in existence?

(B) Should commission of eight be allowed make its

report limiting powers of Shah?


(C) Should added powers given Shah three years ago by constituent assembly be retained as part of constitution?

(4) Mossadeq is "one hundred per cent sure" result of referendum will be to end present Majlis and divorce Shah from any governmental power such as right to appoint officials (including Prime Minister) by Firman.

In implementing his opposition to an armistice, Rhee has many means available which could harass the UN Command and which are in line with his repeatedly expressed opposition to any truce leaving Korea divided. These include:

1. Withdrawing South Korean forces from the UN Command;
2. Refusing to evacuate the demilitarized zone;
3. Attacking incoming neutral nation truce supervisory personnel;
4. Releasing additional prisoners of war;
5. Engaging in independent military action which he believes might force the US to come to his aid;
6. Withdrawing Korean supply and dock workers from UN employment;
7. Drafting Koreans employed by UN agencies;
8. Crippling UN intelligence operations and installations;
9. Seizing UN supply and ammunition dumps;
10. Inducting released prisoners into the South Korean army;
11. Replacing key government personnel who oppose his antiarmistice stand;
12. Developing further the potentialities of the Provost Marshal General Command, the organization which carried out the release of North Korean anti-Communist prisoners in mid-June.

The Provost Marshal General Command has been rapidly growing and expanding in power for the past two months and its chief, General Won Yong-tok would willingly obey any of Rhee's orders.



25X1D
NSA

25X1D
NSA